



State of California

# Employment Training Panel

Arnold Schwarzenegger, Governor

December 10, 2009

Lisa Beville, Human Resources Manager  
Pactiv Corporation  
2024 Norris Road  
Bakersfield, CA 93308

Dear Ms. Beville:

RE: FINAL MONITORING VISIT REPORT for Pactiv Corporation – ET08-0257

Date of the Visit:	11/19/09
Beginning/Ending Time:	10:00 a.m. – 1:30 p.m.
Date of Last Visit:	8/13/09
Visit Location:	Bakersfield
Persons in attendance:	Lisa Beville, Human Resources Manager, Pactiv Harvey Sweet, Director, Organizational Sustainability, Pactiv Susan Green & Sean M. Abbott, The IM Group Gilberto Pelaez, ETP Analyst
Action Required:	No

## CONTRACT INFORMATION:

Term of Agreement:	11/19/07 – 11/18/09	Agreement Amount:	\$1,142,902
Training Start Date:	11/26/07	No. to Retain:	893
Date Training must be Completed:	8/20/09	Range of Hours:	24 - 200
Type of Trainee:	Retrainee	Weighted Ave. Hours:	36

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## **FINAL REPORT SUMMARY:**

### **• HISTORY OF AGREEMENT CHANGES**

The Agreement was executed on 12/07/07 and training began on 11/26/07. You reported that all training was completed on 8/18/09, which allowed for the 90-day retention period to be completed within the term ending date of the Agreement on 11/18/09.

ETP approved one Agreement Amendment on 12/01/08, which increased the ETP funding to Job numbers 1, 4, 5 and 6 and created a new Job Number 7. Those changes increased the number of trainees to be retained by 113 from 780 to 893 and increased the agreement amount by \$650,988 from \$491,814 to \$1,142,802.

In reference to the overall experience Pactiv Corporation had in implementing the ETP project, you addressed the following questions:

- What barriers, if any, did your company experience in implementing your ETP project?  
You experienced no issues with implementation of the project.
- What problems, if any, did your company experience with ETP record keeping?  
Record keeping was no problem.
- What assistance could ETP have provided that would improve the process for future Contractors?  
Incremental communication or checkpoints along the way to ensure you are on target and in compliance with ETP requirements.
- How did your company benefit from the ETP training?  
Many of your employees were able to become acquainted with the Lean Manufacturing processes and the benefits of reducing waste. In a time where many of your competitors and local businesses are closing, laying off and reducing pay and schedules, Pactiv did some hiring in the plan year as employees began implementing waste reduction techniques.
- The reason(s) why Pactiv was unable to complete all training for the trainees specified in the Agreement?  
Some of the issues you ran in to in the program year had a lot to do with new automation and machinery required for new product lines. Thus, while busy implementing new automation and equipment, you were unable to focus as much as you would have liked to on the training of employees.

Based on information provided by your project staff and current data from the ETP On-Line Tracking System, 374 (41.88%) of the 893 trainees to be retained completed training and their 90-day retention period. The data also indicated that those trainees (374) completed approximately 40,387 (63.6%) of the 63,489 class/lab training hours funded. Based on the aforementioned data, and assuming all agreement requirements are met, Pactiv Corp. would have earned approximately \$726,966 (63.6%) of the \$1,142,802.00 funded. However, as indicated on the monitor report of 9/10/2009, 80 percent of the training hours reported for Job 4 were disallowed which would reduce the amount earned by Pactiv Corporation to approximately \$615,403.00.

As of 12/10/09, according to the current Contract Status Report, Pactiv Corporation, has been paid \$259,650 in progress payment of which, \$198,000 has been earned for the placement/retention of 55 trainees.

**PROJECT STATUS PROVIDED BY THE CONTRACTOR:**

Job Number	Max To Place	Number Enrolled in Training	Number of Trainees Dropped (following enrollment)	Number of Trainees Completed Minimum Hours(24)	Number of Trainees Completed all (200 hrs) Training	Number of Trainees Completed Retention
1	234	300	14	129	9	129
2	94	99	1	30	3	30
3	81	0	0	0	0	0
4	47	59	5	40	37	40
5	71	79	1	23	5	23
6	259	314	64	133	38	133
7	107	121	1	19	2	19
<b>Totals:</b>	893	972	86	374	94	374

Contractor's data shown above is in agreement with the data on the current Contract Status Report.

**ATTENDANCE ROSTERS/ INVOICES:**

To verify the provision of training, the Analyst reviewed the attendance records of 16 trainees in Jobs 1, 2, 4, 5, 6 and 7 billed for final payment on Invoice 6. The records reviewed met ETP requirements and the training hours billed for final payment were validated.

**AUDIT:**

Pactiv Corporation will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk audit (or "review"). These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit Confirmation letters. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

**RECORD RETENTION:**

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

Sincerely,

*Signature on file*

Wally Aguilar, Manager  
North Hollywood Regional Office

*Signature on file*

Gilberto Pelaez, Contract Analyst  
North Hollywood Regional Office

cc: Harvey Sweet, Dir. Organizational Sustainability, Pactiv Corp (by e-mail)  
Susan Green, The IM Group (by e-mail)

David Guzman, Chief, ETP Audit & Programs Operations Division.  
Kulbir Mayall, Manager, Cert & Fiscal Unit  
Master File  
Project File

Date report mailed to Contractor 12.15.2009